

WEIGHTED STATE EXCISE TAX CHANGE

1989 EXCISE TAX INCREASE(WEIGHTED)

5 year high prices low states
Angst + Price
Dec 88 - Jan 89
ctn price
\$

STATE	TAX INCREASE	# OF MONTHS	% OF U.S.	WEIGHTED TAX	<i>\$ with new</i>	<i>wt =</i>
IOWA*	0.08	10	1.10%	0.0007	.0127	13.50
RHODE ISLAND*	0.02	6	0.60%	0.0001		
HAWAII	0.02	12	0.40%	0.0001	.0014	14.47
ALASKA	0.13	4	0.20%	0.0001		
CALIFORNIA	0.25	12	9.50%	0.0238		
CONNECTICUT	0.14	9	1.10%	0.0012		
ILLINOIS	0.10	6	4.70%	0.0024		
MAINE	0.03	38	0.50%	0.0000	.0006	13.37
MONTANA	0.02	35	0.30%	0.0000	.0003	12.04
NEVADA	0.15	6	0.80%	0.0006		
NEW HAMPSHIRE	0.04	6	0.40%	0.0001	.0014	12.05
NEW YORK	0.12	8	7.10%	0.0057		
NORTH DAKOTA	0.03	63	0.20%	0.0000	.0005	13.27
OREGON	0.01	22	1.30%	0.0000	.0004	12.85
RHODE ISLAND	0.10	6	0.60%	0.0003		
WASHINGTON	0.03	72	1.50%	0.0003	.0045	15.34
WYOMING	0.04	61	0.10%	0.0000	.0003	11.16
WEIGHTED SUM			29.80%	0.0353	.0221	

1000 5.80
pick
x 10 = .22/ctn
x 20% markup
.04

\$13.66 + .22 = 13.88
+ .04 = 14.12
13.92
1.9%
x .28 = +.45%
.53%

*ADJUSTED FOR EXCISE TAX CHANGES THAT OCCURRED DURING THE PRIOR YEAR

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